



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

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801-538-5340  
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August 29, 2000

CERTIFIED RETURN RECEIPT  
Z 230 748 240

Jerry Holiday  
Holiday Construction Inc.  
700 East Brown Canyon Road  
P.O. Box 502  
Blanding, Utah 84511

Re: Extension Granted for Response to Division Review, Notice of Intention to Commence Large Mining Operations, Jerry Holiday Construction Inc., Lime Ridge Mine, M/037/081 (ML-45960), San Juan County, Utah

Dear Mr. Holiday:

The Division received your fax request for an extension on August 23, 2000. On August 25, 2000, Division staff met with Todd Black to discuss some of the additional information being requested by the Division. The Division hereby extends the deadline date for your review response to **September 18, 2000**, as you requested.

As before, if you have any questions regarding the Division's August 4, 2000 review comments, please contact me, Tony Gallegos, Lynn Kunzler, Tom Munson or Doug Jensen of the Minerals Staff. If you wish to arrange a meeting to discuss this review, please contact us at your earliest convenience.

Sincerely,

D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb  
cc: John Blake, SITLA  
O:\REVIEW\m37-81extend.wpd

## **REVIEW OF NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS**

**Holliday Construction, Inc.  
Lime Ridge Mine  
M/037/081  
November 8, 2000**

### **R647-4-105 - Maps, Drawings & Photographs**

Figure 1 - Surface facilities map indicates that there are two soil stockpiles located at the site. Please furnish an estimate of the amount of soil that will be available for use in reclamation. (DJ)

### **R647-4-106 - Operation Plan**

#### **106.3 Estimated acreages disturbed, reclaimed, annually.**

The notice states that "no further mining operations are planned at this time." However, under section 110.1, it is stated that you presently have an additional contract for an additional 3,500 tons of material for next year. Please explain these conflicting statements. (DJ)

#### **106.6 Plan for protecting & redepositing soils**

Please seed the topsoil stockpile with the reclamation seed mix to use vegetation to stabilize the soil materials from erosion during storage. Please place a sign identifying the stockpile as topsoil for use in final reclamation only, so this material is not mistakenly disturbed. (LK)

### **R647-4-107 - Operation Practices**

#### **107.1 Public safety & welfare**

##### **107.1.14 Posting warning signs**

Please place warning signs along the county road at the entrance to the project area to warn the public of mine hazards within this area. (DJ)

##### **107.1.15 Constructing berms, fences, etc. above highwalls**

Rule R647-4-111.7 states that "highwalls shall be reclaimed and stabilized by backfilling against them or by cutting the wall back to achieve a slope angle of 45 degrees or less." Overburden material generated by this operation should be placed against highwalls at the time of final reclamation to satisfy this requirement.

Because of the proximity of the county road to a pit highwall, place a minimum four foot high berm where the road borders a pit. Signs should also be placed along this berm warning the public of the highwall hazard.

The location of the county road adjacent to the pit excavations may be a cause for concerns regarding the stability and safety of this section of road. It may be beneficial to relocate the section of road through the pit excavations to minimize long term safety hazards. Please provide confirmation that the San Juan County Road Department has been contacted and has no concerns regarding the possible impacts to this section of road. (DJ)

#### **107.2 Drainages to minimize damage**

The operation is disrupting the natural drainage pattern of the area and the reclamation plan states the outfall from the pits will be free flowing. The idea of leaving a small pond in the pit at final reclamation is a good idea if it is accessible to wildlife and does not create any downstream hazards. The method of having a free flowing inlet and outlet to the pit is unclear in the drawings

supplied. Please provide a more detailed description of how you will reestablish the drainage through and out of the pit(s) to provide a stable and free flowing channel. (TM)

**R647-4-110 - Reclamation Plan**

**110.1 Concurrent & post mining land use**

Please provide a description of the current and proposed post mining land use(s) for the project area (i.e. grazing, wildlife habitat, recreation, etc.). (LK)

**110.5 Revegetation planting program**

A review of the soils data reveals that the soil materials are low in phosphorus and organic matter. To correct these deficiencies, it is recommended that 50 pounds per acre of phosphate fertilizer and 15 tons per acre of composted manure be applied to amend the soil materials to assure revegetation success. Please agree to incorporate these soil amendments into the reclamation plan or provide justification for their omission. (LK)

**R647-4-111 - Reclamation Practices**

**111.1 Public safety & welfare**

**1.15 Constructing berms/fences above highwalls**

See comment under R647-4-107.1.15. (DJ)

**111.7 Highwalls stabilized at 45 degrees or less**

Please agree to reduce or backfill all highwalls to the 45 degree configuration or provide justification for a variance from this requirement, formatted according to R647-4-112. The statement that the highwalls will be left "neat and pleasant looking" is not a reclamation treatment. (DJ)

**111.12 Topsoil redistribution**

Spreading one inch of topsoil over regraded areas will be difficult to accomplish and will not provide a significant improvement in the revegetation potential. It is suggested that the topsoil be placed in islands scattered throughout the reclaimed areas. These soil islands would be a minimum of six inches deep. By amending the overburden/fines that will be between the topsoil islands with the same fertilizer and composted mulch that is applied to the topsoiled areas (50 lbs/ac. of phosphate fertilizer and 15 tons/ac. of composted manure), it is expected that significant vegetation can be established over the entire site. Please agree to incorporate these activities into the reclamation plan or provide justification for their omission. (LK)

**R647-4-112 - Variance**

No variances were applied for with this notice

**R647-4-113 - Surety**

Final surety amounts will be calculated upon receipt of response to this review letter. (DJ)



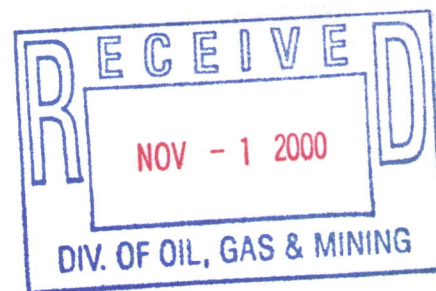
# State of Utah

*School and Institutional*  
TRUST LANDS ADMINISTRATION

Michael O. Leavitt  
Governor

David T. Terry  
Director

675 East 500 South, Suite 500  
Salt Lake City, Utah 84102-2818  
801-538-5100  
801-355-0922 (Fax)  
<http://www.trustlands.com>



October 30, 2000

CERTIFIED MAIL NO. P 973 115 015

*m/037/081*

Mr. Jerry Holliday  
465 West 400 North  
Blanding, UT 84511

**RE: NOTICE OF BREACH OF LEASE AGREEMENT, ML 45960-BSLS**

Dear Mr. Holliday,

Mineral Lease ML 45960-BSLS was issued to Francis J. Nielson by the Utah Division of State Lands and Forestry (DSLRF), on May 25, 1993. Mr. Nielson assigned the lease to Jerry Holliday on March 21, 1994. School and Institutional Trust Lands Administration (SITLA) succeeded DSLRF effective July 1, 1994

ARTICLE III of the terms and conditions of ML 45960-BSLS requires that Lessee comply with all applicable laws and regulations in the operation of the lease, including requirements of the Utah Mined Land Reclamation Act.

ARTICLE XII of the terms and conditions of ML 45960-BSLS requires that not less than 60 days before commencing exploration, drilling or mining operations on the leased lands Lessee shall give written notice to Lessor, and to the Division of Oil Gas & Mining (DOGM), together with a plan of operation, and that Lessee shall not proceed with the execution of such plan of operation without first receiving the written approval of Lessor.

ARTICLE XVI of the terms and conditions of ML 45960-BSLS requires that in the event Lessee desires to conduct open-pit mining which will materially disturb the surface of the lands, at least 60 days before commencing such type of mining activity, Lessee shall submit to the Lessor a plan of operation together with a plan of rehabilitation in compliance with the Utah Mined Land Reclamation Act, and that a copy of such proposed plan of operation shall be submitted to DOGM and no such operations shall be commenced until DOGM approves the plan.

Shortly after the issuance of ML 45960-BSLS, in 1993, open pit mining of the leased lands commenced without notification to Lessor or DOGM and in breach of the terms and conditions of the lease. By way of remedy a small-mine notification signed by Jerry Holliday was submitted on July 22, 1993, for the disturbance of not more than five acres of land. Jerry Holliday was designated operator under the lease and posted bonding totaling \$23,500.00 with DSLF. The operator was warned not to exceed the five-acre disturbance limit allowed under small-mine permit S/037/081.





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May 16, 2000

Jerry Holliday  
Holliday Construction Inc.  
700 East Brown Canyon Road  
P.O. Box 502  
Blanding, Utah 84511

Re: Second Review of Notice of Intention to Commence Large Mining Operations, Holliday Construction Inc., Lime Ridge Mine, M/037/081, San Juan County, Utah

Dear Mr. Holliday:

On May 12, 2000, the Division received your response to our April 10, 2000, deficiency review of your Notice of Intention to Commence Large Mining Operations for the Lime Ridge Mine, located in San Juan County, Utah. *The information received is a copy of your original submission which was used to generate our April 10<sup>th</sup> deficiency comments. Another copy of our April 10th review comments is enclosed. Please address each review comment in detail so that we can complete the review and approval of your large mine Notice of Intent. The deficiency comments will need to be addressed before tentative approval of your notice may be granted. The comments are listed under the applicable Minerals Rule heading. Please format your response in a similar fashion. Please provide a response to this review by June 16, 2000.*

The Division will suspend further review of the Lime Ridge mine NOI until your response to this letter is received. If you have any questions in this regard please contact me, Tony Gallegos, Lynn Kunzler, Tom Munson or Doug Jensen of the Minerals Staff. If you wish to arrange a meeting to sit down and discuss this review, please contact us at your earliest convenience. Thank you for your cooperation in completing this permitting action.

Sincerely,

D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb

Attachment: 4/10/00 review comments

cc: John Blake, SITLA

M37-81-2rvw